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Report

A FEASIBILITY ANALYSIS OF AN
EXPANDED VOCATIONAL AND
SHELTERED EMPLOYMENT PROGRAM AT
THE GOTTSCHKE FOUNDATION
REHABILITATION CENTER

to

THE OLD WEST REGIONAL COMMISSION

December, 1977

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SUMMARY REPORT

on

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to

THE OLD WEST REGIONAL COMMISSION

December, 1977

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EXECUTIVE SUMMARY

Major Conclusions

- Gottsche offers combinations of services in physical rehabilitation, vocational evaluation, and certain types of training that are not only unique in Wyoming, but also enjoy a very fine reputation for the quality of services.
- Competition for Gottsche is increasing rapidly, not only in the form of expanded occupational and physical therapy programs around the State, but also in new sheltered employment and training programs.
- While various types of sheltered employment activities (workshops) exist, and do provide both jobs and services to the handicapped, they present two major problems for Gottsche. First, in most cases they are characterized by low wages, low placement rates, menial tasks, and very large operating deficits. Second, to be successful, they must have access to large population bases, due both to very high turnover rates and to the need for market linkages to a number of large businesses in the immediate area.
- In light of the above, it is recommended that:
 - a. Gottsche undertake an in-depth planning program designed primarily to identify steps to be taken to increase its client population. Due to the distances involved and the range of fine facilities in other Old West Regional Commission States, Gottsche's realistic tributary area corresponds primarily with the State of Wyoming. However, there is enough "unmet" need for rehabilitation services in Wyoming to keep Gottsche full for many years.
 - b. In order to expand client population, expansion of services at Gottsche will be needed. These fall into two groups:

1. Improvements are needed in supporting services, especially housing and transportation.
 2. Program expansion should be in the vocational area, especially in evaluation, work adjustment, training, and in directly related areas such as Activities of Daily Living and even academic programs.
- Expansion into areas such as sheltered employment, bio-medical engineering, and even the pairing of mentally retarded and physically impaired persons are long term goals at best, and should not be initiated until the two steps just noted have been completed.

Statement of the Problem

The research described in this report deals with an analysis of how vocational evaluation, training, and sheltered employment opportunities for the severely physically disabled may be created or expanded at the Gottsche Rehabilitation Center. The research also clarifies the degree to which certain innovations and trends in rehabilitation and sheltered employment related to Gottsche may also be appropriate for other locations within the Old West Regional Commission's five-state area of Montana, Wyoming, North Dakota, South Dakota, and Nebraska. Specific tasks included:

1. A Discussion of the Current Gottsche Situation
2. Evaluation of the State-of-the-Art in Sheltered Employment
3. Evaluation of the Degree to Which Gottsche's Programs Could be Related to Other Locations in the Region
4. Preparation of a General Plan for Expansion of Gottsche and its Client Population.

The Gottsche Situation

In order to realistically plan for growth at Gottsche, it is essential to begin with an objective assessment of problems and potentials. The following comments pertain to this perspective:

- Facilities at Gottsche are exceptionally complete, and are capable of dealing with a wide range of physical rehabilitation clients. A brief Gottsche overview would include
 - Staff: 18-20
 - Budget: Over \$200,000 per year
 - Major Services: Medical, physical therapy, orthotics and prosthetics, occupational therapy, speech and hearing, psychological services, and vocational evaluation
 - Major Client Types: For vocational evaluation, all types of clients, with emphasis on physical impairments. Other services are quite diverse, and are appropriate for quad and para-plegics, persons with multiple sclerosis, arthritis, strokes, amputations, cerebral palsy, and others.
 - Expansion space at both Gottsche and in property it controls is adequate to support both new rehabilitation and vocational programs
 - The shared facility with Hot Springs County Memorial Hospital is very beneficial for medical programs, and represents resources available to serve the most severe cases.
- Trends in patient demand at Gottsche demonstrate stability or decline
 - The "total number" of clients served by Gottsche has increased in recent years. However, this reflects increases in Vocational Evaluation and Brace and Limb work. Occupational Therapy and Physical Therapy have demonstrated stability or decline.
 - The "tributary area" of Gottsche is contracting. In 1971, only 25 percent of the clients came from Hot Springs County. Now, the number is over 45 percent. This is serious because a county with barely 6,000 people cannot adequately support this type of facility.

- The geographic setting of Gottsche presents a number of problems for expansion programs:
 - Within 100 miles of Gottsche are at least eight other general hospitals
 - Within 100 miles of Gottsche are at least five hospitals with physical therapy programs; a number increasing to eight at around 120 miles
 - Over the past 8-10 years, the number of certified physical therapists in Wyoming has increased more than five times, greatly increasing competition from other Centers
 - While Hot Springs County has six physicians, over 140 M.D.s and D.O.s are found within 100-120 miles, most refer to hospitals in their own counties. Evidence suggests that referrals to Gottsche from this source has declined in recent years.
 - From this perspective, the brightest growth potential lies in Vocational Evaluation. Gottsche is still unique in Wyoming in this regard, and may remain so for some time
 - At least 11 other rehabilitation and sheltered employment centers exist in Wyoming, although most deal with serving the mentally retarded.
- Current and projected population trends in Wyoming indicate that Gottsche will continue to have a limited population base. Hot Springs County will have fewer than 6,000 people by 1985, and the five contiguous counties will add only around 85,000 people by that time (the State may reach 500,000).
 - The small population base just noted means that the total potential number of clients is limited. Still, it is estimated that at present between 3,000 and 5,000 people with severe physical handicaps live in Wyoming at present, and many of these are neither participating in any type of vocationally oriented rehabilitation programs, nor are involved in sheltered employment activities.
- In a general assessment of Gottsche's growth potential it is possible to describe the relationship which exists between the Center's services and its tributary area.
 - At present, the tributary area of the Center is approximately 200 miles, corresponding with Wyoming's boundaries. Because of competing facilities in other States, it will be very

difficult to expand this area with the current range of services.

- Expansion in the area of work adjustment, vocational training, and some sheltered employment may serve to increase the tributary area and the size of the potential client base.
- Some expansion of services is a necessity at Gottsche, but these should build directly upon physical rehabilitation capabilities and should be closely related to vocational and training programs. Extensive sheltered employment programs should only be considered after the vocational programs are completely operational.

State-of-the-Art Overview

The purpose of this task was to carry out an assessment of trends in successful programs involving training, evaluation, and employment for the physically handicapped. This was an important task because these insights point out ways in which Gottsche may avoid decisions which could prove very expensive. Major findings include:

- In terms of clients, an exceptionally wide range of disabilities are served by successful rehabilitation programs. However, because staffing and facilities differ widely according to problem area, Gottsche should focus on physical disabilities, but not emphasize problems such as alcoholism, the blind, the deaf, or cancer patients.
- If Gottsche were to attempt some type of "pairing", only the most "mild" retarded persons (I.Q.s of 50-70) could be utilized effectively. However, this may be difficult as many of these people are attempting to occupy "normal" jobs and demand minimum wages.
- On the national level, a "sheltered workshop" is a non-profit center with special minimum wage provisions, providing goods and services similar to those available from a private business. "Work activities centers" are often different, providing work for clients whose productivity is so low that

cannot compete with private business. Major trends in these facilities include:

- Depending on one's definitions, there are almost 4,000 workshops in the U.S., a more than four-fold increase since 1956, and this rapid growth is continuing
- Due to proliferation, many workshops are running at only 60-70 percent of capacity, with very high turnover rates.

- The most important workshop characteristics include:

- Almost 75 percent of workshop clients are mentally ill or retarded; 10 percent are blind, 10 percent demonstrate a diversity of problems, only 5 percent have severe physical-orthopedic disabilities
- Well over 50 percent of all clients have significant secondary disabilities
- Over 80 percent of workshop clients participate in vocational evaluation programs, 40 percent in pre-vocational programs, 20 percent have psychological evaluations, and 20 percent take part in community related programs
- Wages paid in workshops are very low; in 1975 a survey of wages in shops showed a range of \$500 to \$2,200 for an entire *year*
- Employee benefits in most workshops are very poor, with no paid holidays, very limited sick leave, limited accident insurance, practically no health insurance
- Most jobs in workshops are tedious, low-skilled, unrewarding, unremunerative, and most likely to be replaced by machines
- Most workshops and centers lose money; less than 50 percent of all income comes from business related activities and the other half comes from public grants, charities, and from referrals from state agencies for tasks such as vocational evaluation
- The placement rate of workshops is very low, around 13 percent; this reflects the severity of problems faced by clients, very high turnover, resistance on the part of employers, and barriers related to housing and transportation.

- Major client characteristics include:

- The "average" client in a workshop is young (23), male (55 percent), and white (75 percent)

- Well over 90 percent of all clients are mentally ill or blind, over 45 percent have significant secondary illnesses
 - Only half of all clients have completed the eighth grade
 - In terms of support, around half of all clients are dependent upon relatives, around one-fifth on Federal programs such as S.S.I., 10-15 percent are residents in public institutions; only 3-4 percent are supported by their own earnings.
- Two general types of workshops exist: the Long Term and the Transitional
 - Transitional systems are designed to evaluate clients and to provide vocationally oriented training. Persons with low levels of potential are placed in activity or sheltered employment programs within the Center
 - Long Term systems provide the programs just noted but stress socialization and "Activities of Daily Living". Because this approach is perhaps better suited for the severely disabled, less emphasis is given to out-placement programs, more on internal sheltered employment.
 - The major attributes of the two workshop models compared to Gottsche may be summarized as follows:

COMPARISON OF PROGRAMS OF TRANSITIONAL AND LONG-TERM SHELTERED EMPLOYMENT MODELS

Attribute	Transitional Workshop	Long-Term or Extended Employment	Currently Available at Gottsche	Will be Needed for Comprehensive Employment Program
Medical	Moderate	Minor	yes	yes
Occupational Therapy	Moderate	Minor	partial ¹	yes
Physical Therapy	Moderate	Minor	yes	yes
Speech and Hearing	Moderate	Minor	yes	yes
Orthotic and Prosthetic	Moderate	Minor - Moderate	yes	yes
Prevocational Evaluation	Great	Minor - Moderate	yes	yes
Vocational Evaluation	Great	Moderate	yes	yes
Remedial Education	Moderate	Moderate	no	yes
Personal Adjustment Training	Great	Great	partial	yes
Activities of Daily Living	Minor	Moderate - Great	partial	yes
Mobility Training (blind)	Moderate	Minor	no	no
Work Adjustment Training	Great	Great	no	yes
Psychological Services	Great	Moderate - Great	yes	yes
Social Services	Great	Moderate - Great	partial	partial
Recreational Services	Moderate	Minor	no	partial
Vocational Counseling	Great	Minor	no	yes
Vocational Skill Training	Great	Great	no	yes
Sheltered Workshop	Great	Great	no	yes
Job Readiness	Great	Minor	no	yes
Job Placement	Great	Minor	no	yes
Homebound Work Activity	Great	Minor	no	yes

Source: Compiled by Battelle.

¹By partial service is meant that some elements of the program should be available, but perhaps at a minor level.

- As part of the project, the study team visited nine workshop-rehabilitation centers that are considered "successful". Several of their major characteristics included:
 - Clients were not severely physically disabled in most cases, and at least had use of their upper extremities
 - Facilities were spacious, with areas for receiving, storage, processing, management, training, and distribution befitting a typical small business (as opposed to a health care facility)
 - Clients are more highly educated than average, and many have high school or even college educations
 - This is perhaps most important--marketing efforts are superb, and are often assigned to full time coordinators or grantsmen
 - The facilities are large in terms of staff (none had less than 50 full time professionals), and are located in close proximity to large metropolitan areas (usually over one million people)
 - Even here, definitions of success are difficult; professional costs are very high, and testing and retraining programs are non-revenue producing activities whose costs are partially covered by charitable and public funds. Even though the employment-workshop activities may demonstrate some profit, the *total* complex usually incurs deficits, some of which are very extensive.
 - As one professional pointed out, "the prospect of a severely handicapped individual sorting 'fishhooks' for 13 cents an hour is dismal and would discourage the stoutest worker. Work for activity's sake and for the privilege of 'constructively' occupying a disabled person's time, even in an atmosphere designed with hope and with substantive reward is eventually bound to fail in its ultimate purpose and as an enterprise." In other words, not only is it essential to clearly evaluate the total range of benefits accruing to clients from a sheltered employment situation, it is absolutely essential that motives related to rehabilitation and training be clearly differentiated from those related to the initiation of profit-making employment activity.
 - For Gottsche, it will be difficult to select industries which are not directly dependent upon

a very large pool of markets and workers, or where large deficits are not accepted as being normal.

- When one examines the types of jobs prevalent in sheltered workshops, they are clearly dominated by packaging and other bench assembly work. In fact, the most common types of jobs include packaging, simple bench assembly, inspection, collating, mail sorting, simple woodworking, and custodial work. In other words, despite the "operational" success of a number of workshops across the United States, the fact remains that they often have not been very successful in the utilization of severely handicapped individuals in meaningful work situations.
- Initial investigations of the "pairing" concept suggest that it would involve a number of problems. While the mentally retarded are capable of carrying out a number of physical tasks, it has also been demonstrated that they present a great number of problems in work habits, productivity, response to supervision, and other areas--which suggests that their integration into a meaningful employment program that strives for self-sufficiency will be difficult, if not impossible. In other words, such a high level of supervision would be required that the professional staff may be better off working directly with either the mentally or physically impaired persons.
- There are some cases where "graduates" of training and sheltered employment programs have been placed in moderately skilled positions. These include cardpunch operators, mail clerks, office machine operators, laboratory workers, clerks, and cooks. However, these are individuals with the highest I.Q.s, and with the least degree of physical impairment. More common are placements in areas such as laundry workers, dishwashers, laborers, dock clerks, and various types of assistants.
- The observations suggested above are not meant to be overly negative. Instead, they are presented simply to point out that the probabilities for successful placement of the severely physically impaired individuals are relatively low, and that this represents an area where objective measures of success are not always in line with many of the articles in either the public or professional press.

- To be truly successful, a comprehensive rehabilitation-employment program at Gottsche should be accredited by CARF (Commission on Accreditation of Rehabilitation Facilities). CARF standards are exceptionally comprehensive; for example:
 - In the area of physical plant and equipment, it is stressed that only the most sound and accepted practices will be observed in all aspects of the business, including purchases, capital resources, and the sale of products.
 - Significant emphasis is upon work activity, including the strong recommendation of wage rates paid to clients shall correspond with those which are paid for comparable level productivity in private industry.
- For a number of years, it appears unlikely that the use of biomedical devices to facilitate employment may be implemented at Gottsche.
 - Even with the most advanced microminiaturized electronic components, it is not possible to imitate with comparable compactness, precision, and other desirable attributes those body actions that may be absent because of defects or loss.
 - While a number of advances have been made in the area of biomedical engineering, especially those that facilitate the mobility and self-sufficiency of the severely handicapped, very few practical advances have been demonstrated in relating these capabilities to sheltered workshop situations.
 - The implementation of successful biomedical engineering programs are exceptionally complex and extensive. The major centers of rehabilitation engineering are very closely related to large teaching hospitals, and require almost constant support by highly skilled engineers and a wide range of medical practitioners.
 - Because of the factors just noted, a majority of professionals in this field strongly advise against any type of free-standing or isolated biomedical based employment program that is divorced from other critical elements of physical restoration, independent living, vocational and rehabilitation programs, and very strong direct functional ties to major teaching hospitals.

Based upon the state-of-the-art review described above, the following conclusions may be drawn.

The most successful rehabilitation and sheltered employment programs involve relatively large centers, with staffs of 50 to 100 or more, serving population tributary areas of over one million. Also, the "economically" most successful involve very close working ties to markets in major metropolitan areas. Consequently, given the geographic situation of Gottsche, it will be extremely difficult to pull together a client tributary area and appropriate market relationship to support a free-standing and economically viable sheltered employment facility--especially one that is defined in conventional terms.

While much has been written concerning the relative success of sheltered employment facilities, when they are examined quite carefully, it is clear that while they are providing a wide range of personal and social benefits to handicapped individuals, in most cases they are not financially viable in the strict profit and loss sense. Unless Gottsche is willing to assume substantial annual deficits, it should not move directly into a sheltered employment program.

Overall, it is clear that it is not realistic to think in terms of "models" of rehabilitation-employment activities unless one closely relates evaluation, training, and work activity. Consequently, it is perhaps most realistic to investigate ways in which Gottsche may strengthen its evaluation and training programs, and to consider expansion into sheltered employment activity as a longer term venture.

Regional Perspectives

One of the tasks of the overall program was to estimate the degree to which Gottsche could serve as a major regional resource for the northern Rocky Mountain area, as well as the Old West Regional Commission

area. The following comments pertain to this aspect of the analysis:

- When viewed in the multi-state geographic perspective, the Old West Regional Commission area and the northern Rocky Mountain area are not deficient in terms of high quality rehabilitation and sheltered employment facilities. To the north, at least five high quality rehabilitation-employment centers are located along Interstate Routes 90 and 94, and apparently serve Montana's population quite well. To the south, major medical centers, as well as rehabilitation and employment facilities in Salt Lake City, Ogden, and especially Denver provide most needed services in that direction. To the west, demand in Idaho currently being satisfied by local facilities and centers such as Pocatello and Idaho Falls, as well as being served by facilities in Montana and Utah. To the east, Nebraska is well served by both rehabilitation and employment centers, and in the case of North and South Dakota, either level of unmet demand are exceptionally low or distances so great that they do not realistically represent tributary areas for Gottsche.
- In light of the relatively good balance between the location of rehabilitation and vocational facilities throughout the Old West area, in regard to population, and with an allowance for the very significant distances involved, it is clear that the effective tributary area of the Gottsche Foundation corresponds most closely with the State of Wyoming. Given the relatively rapid expansion of rehabilitation and employment facilities in the Old West Regional Commission states, it is clear that the impact of Gottsche is realistically limited primarily to the State of Wyoming--where it represents a relatively unique and highly regarded activity.

Development Plans for Gottsche

The final chapter of the report describes the development plan for Gottsche that will facilitate the increase of the client population through the expansion of services in such areas as training, evaluation,

and eventually sheltered employment. Given the geographic setting and the needs of the physically handicapped, recommendations were also prepared for programs involving the availability of increased housing, transportation, and other appropriate services for the new mix of handicapped clients envisioned at Gottsche.

The programs described below are designed to be realistic, both in terms of the resources they require and the total range of potential clients that may be attracted to Gottsche.

- Background, Program Thrusts. Both providers and critics of sheltered employment rehabilitation programs cite the following impediments and restrictions that severely limit the ability of rehabilitation organizations to successfully accomplish the goals established for disabled clients. These involve a lack of:

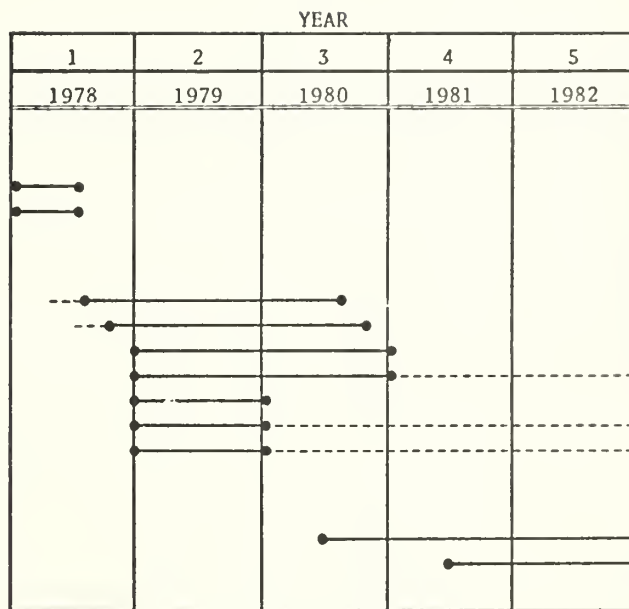
- Adequate housing
- Affordable transportation
- Available jobs
- A barrier-free environment
- Job development and placement services
- Meaningful jobs.

These findings suggest it is not sufficient that Gottsche think only in terms of rehabilitation or vocational programs, or in terms of sheltered employment, but rather comprehensive programs that involve evaluation, training, employment, as well as housing and transportation.

- Overview of the Plan. One of the most pressing needs at Gottsche is for the development of a meaningful and realistic long range plan. This planning process will involve at least three critical time frames, and these are summarized graphically below.

MAJOR PROGRAM THRUSTS

- Immediate Actions
 1. Board Concurrence
 2. OWRC Affiliation
- Short-Term Programs
 3. Expand Vocational Evaluation
 4. Expand Vocational Training, Adjustment
 5. Housing Development
 6. Initiate Employment Program
 7. Begin Transportation Plan
 8. Develop Ties to Medical Centers
 9. Initiate Demonstration Projects
- Long-Term Programs
 10. Initiate Industry Program
 11. Begin Pairing Program
 12. Bio-medical Demonstration Program



PLAN FOR EXPANDING THE CLIENT POPULATION AT GOTTSCHKE REHABILITATION CENTER

- Immediate Development Steps--Up to Six Months. In the short run, two major tasks must be carried out at Gottsche.

First, a number of administrative actions must be taken. In general, these involve arriving at a consensus among Board members concerning the need and direction of the growth program, the preparation of an effective and realistic long range plan, and steps to increase the visibility and awareness of Gottsche.

Second, steps should be taken to increase the Center's client population as soon as possible. This will involve not only firming up ties with the State of Wyoming Department of Vocational-Rehabilitation, but may also involve formally requesting supporting funds from the Old West Regional Commission to cover the expenses of sending a fixed number of clients, from each of the five states, to Gottsche for rehabilitation and vocational services.

In brief, the most critical initial steps include

- Initiation of a comprehensive long range planning process
 - Comprehensive planning for disposal or use of Gottsche related real estate
 - Immediate implementation of a much more aggressive marketing and public relations program
 - Strengthening ties with Wyoming's DVR
 - Investigating alternative sources of funds from the Old West Regional Commission as well as other evolving Federal programs related to barrier-free environments, crippled children, and others
- Rehabilitative Medicine. Although it is not identified as a separate thrust area in the overall plan, a number of changes may be required in the medical area. Some of the most critical of these include:
 - Comprehensive evaluation of the current medical rehabilitation program's ability to accomodate an increased case load
 - A strengthening of contacts with both state and Federal rehabilitation agencies
 - Implementation of a proactive program to strengthen ties with referring physicians within a 100 mile radius, through personal, telephone, and mail contacts. It is clear that, for whatever reason, it is essential that professional relationships between physicians on the Gottsche staff and others across the State of Wyoming must be maintained at an exceptionally high level.
 - Short Term Development Strategies. These represent steps to be taken in 24 to 30 months, which will lead to an increase in client population through an expansion of services. These steps involve

expansion or improvement in areas such as training, housing, transportation, and the initial steps in sheltered employment programs. Specific components are summarized below.

- Housing. There are some questions concerning the desirability of client housing available at Thermopolis at the present time. Qualitatively, clients do not apparently like to spend their non-treatment time in either motels or a nursing home, and if the client population expands, additional facilities will be required. It is essential that Gottsche pull together a specific program thrust designed to improve the quality and range of housing available for the handicapped in the Thermopolis area. This would involve an objective assessment of the views of clients concerning Gottsche's facilities, the preparation of a detailed master plan, and the initiation of construction programs designed to provide more residential space for clients. In addition, programs could and should be initiated to investigate potential demonstration projects for barrier-free living that could be based upon the Gottsche setting. For example, Public Law 93-112, the Vocational and Rehabilitation Act of 1973, suggests that funds may be available for these projects and Gottsche satisfies many of the requirements for selection.
- Transportation. A concerted program should be initiated designed to move intra-Thermopolis transportation as well as transportation to and from the community. While not much can be done concerning quality and congestion of scheduled air service to Worland, a number of other communities have made arrangements for air charter flights for the handicapped, and these should be investigated for Gottsche. As was noted above, funds for demonstration projects are also available for transportation and could be initiated in the Thermopolis area.
- Expansion of Vocational Programs. The Gottsche Rehabilitation Center currently has excellent facilities for vocational testing and evaluation. However, it is clear that these can be expanded and perhaps even improved. For example, services for more in-depth vocational counseling, work activity analysis, work adjustment training programs, programs for job evaluation, job readiness, and job placement could be readily developed at Gottsche. At present, an excellent

foundation for this expansion exists, and this is perhaps the single most important area of unmet need in the State of Wyoming. This cannot be carried out in isolation, and the success of the expansion program is directly related to the degree to which it is coordinated with the Wyoming DVR, and Federal agencies such as DHEW in Denver.

- Other Related Programs. It is likely that an expanded vocational and rehabilitation program will also increase the demand for psychological, speech and hearing, and social services. Consequently, planning for growth should not be carried out in isolation but should involve an analysis of its total impact on the Gottsche Foundation. Further, with movement into vocational programs that may involve a number of weeks or even months at Gottsche, it is absolutely essential that a detailed analysis of "independent living" arrangements for the Gottsche Center be undertaken as soon as possible.
- Initial Employment Programs. The purpose of this thrust will be to take initial steps related to sheltered employment at Gottsche. Specific subtasks include:
 - Gottsche should investigate the potential for establishing a work activity center, closely related to the vocational training program, dealing with simple production procedures
 - Gottsche should plan for the establishment of a sheltered employment program at the Center, utilizing people incapable of competing in the open market
 - Gottsche should prepare a detailed long range plan for the establishment of a viable economic enterprise, based upon a "unique" sheltered work environment, that is best suited for the Thermopolis area
 - Given its locational orientation, and the nature of the tributary area, it is clear that while Gottsche could probably develop a relatively basic work activity center, a financially viable sheltered employment program will have to be truly unique. It does not appear that the "best configuration plan" proposed for the Gottsche Rehabilitation Center can survive with the provision of recommendations to develop contract work activity centered around packaging, assembling, sorting, repairing, and other menial industrial

tasks. The Gottsche Rehabilitation Center must create a unique industry in order to be successful in sheltered employment. That is, if sheltered employment is defined in terms of "paying its own way".

- A Potential Sheltered Employment Activity. It is essential that some type of unique sheltered employment opportunity be developed at Gottsche that will be capable of overcoming a number of realistic distance constraints, primarily through the attraction of "customers". Accordingly, it is suggested that a detailed evaluation of the establishment of a barrier-free community for the disabled and handicapped be carried out. Further, it is suggested that the "theme" for this industry be based upon tourism and recreational activities--especially suited for the handicapped themselves.
- The Tourism Activity. Sheltered work could be provided in a subsidized, specially constructed training unit as part of a competitive tourism industry. Able-bodied would have to be employed to initiate the tourism program at Gottsche, employing a ratio of at least two able-bodied persons to every disabled individual. There are indications that this may be one way of effectively using the mentally retarded in a pairing concept.

All profits would be put back into the program to subsidize the handicapped clients who are in training or who are among the less productive disabled individuals. Additional disabled individuals would then be brought into the program as vacancies occur and as the disabled are trained to take on more responsibilities. Overall, the primary objective of the employment program would be to provide reasonable pay for the maximum number of severely handicapped at the minimum possible annual subsidy per worker.

It is important to point out that there are at least two other facilities of this type in the United States, and they have been exceptionally well received. Because there is no specific tourism activity designed for, and operated by, the physically disabled in the Rocky Mountain area, a number of people have suggested that the probability for success in this activity is relatively high.

-- Affiliations with University Medical Centers. The final major task to be accomplished over the next several years involves significant strengthening of ties to university medical centers and both state and Federal rehabilitation agencies. If Gottsche is to grow and expand, it will have to become somewhat of a "model" for rehabilitation and vocational programs, and this cannot be accomplished in isolation. Consequently, ties involving education, training, the exchange of information, and other factors must be established with a wide range of educational activities and teaching hospitals.

- Long Term Programs -- Two to Five Years. As a result of the study team's telephone survey, personal interviews, site visits, and other steps, it was possible to determine that a number of activities being discussed at Gottsche represent relatively long term types of programs.

-- The Pairing Concept. As suggested above, there are several areas where the pairing of physically and mentally impaired individuals may be feasible at Gottsche. However, it appears that the skills involve somewhat limited areas in personal care and transportation. It does not seem feasible, certainly in economic terms, to initiate a program that would tend to pair these individuals in a productive sheltered employment setting. The barriers involving productivity, potential markets for products or services, and even the cost and availability of appropriate production related equipment are simply too high, and would probably present an insurmountable barrier to Gottsche.

-- Biomedical Engineering. Again, this is an area where a number of advances are being made, some of which are quite impressive in extending the physical capabilities of the severely disabled. However, it is clear that exceptionally close ties to major teaching hospitals and universities must be maintained, costs in this area are staggering, supporting staffs are very substantial, and a number of other barriers may be identified which suggest that this is at best a long term eventuality for Gottsche.

In other words, if Gottsche is completely successful in expanding its vocational program, and even accomplishing the first steps in a sheltered employment program, then it should turn to the question of biomedical engineering and

pairing; but these will not facilitate accomplishment of the objectives noted above.

- Financial Considerations. The financial management of a rehabilitation center invariably has a major impact on the effectiveness of the operation. Whether or not a center is meeting its primary objective is closely bound to the availability of a rehabilitative organization to manage its resources. The following comments pertain to potential financial strategies at Gottsche.

-- Types of Funding. Two types of funding exist in the majority of rehabilitation operations: capital funds which pertain to income and expenditures for buildings and major equipment; and operating funds that pertain to income and expenditures related to the operation of the institution. Overall, plant related investment represents around three-fourths of all total capital expenditures across most U.S. workshops. In 1975 the average capital investment in plants and equipment by regular program workshop was slightly more than \$4,000 per client, in activity centers it was approximately \$1,400, and in training and evaluation centers almost \$1,800.

In terms of operating income, funds are obtained from three major sources, including the work programs themselves, fees for evaluation and training, and subsidies. Regular program workshops depend on the work program for almost three-fourths of their operating income. However, by definition the work program includes fees from evaluation and training activities in most cases, and certain supplemental Federal sources. Work activity centers often receive as low as 20 percent of their income from their work related activities, and funds for training and evaluation become the principle component of the income picture, often supplemented to a large extent by grants and gifts.

-- Operating Expenditures. Annual operating expenditures fall primarily into two categories, industrial operations and rehabilitative services; including professional services provided to clients such as evaluation and training. Overall, wages and salaries dominate the pattern of expenditures, ranging from 60 to 70 percent, depending upon the type of institution, followed by various types of

program expenses, the cost of production materials, and plant and equipment expenditures. It is important to point out that as one moves along a continuum from evaluation, training, to an activity center, to a workshop setting, higher costs for administration and technical staff are incurred, reflecting a greater emphasis on production as compared to services.

- Profit or Loss Considerations. In one 1977 survey, it was found that three-fourths of the regular program workshops in the United States report operating losses. Almost four-fifths of the work activity centers sustain operating losses. Finally, as high as 50 percent of programs that are focused primarily upon training and/or evaluation reflect profits or, at best, minimal losses.
- The findings suggested above substantiate the conclusions summarized above that the establishment of a "traditional" workshop approach at Gottsche will be detrimental to the entire long range operational planning effort. In other words, there are a number of major financial hazards associated with employment programs, and the dangers appear to increase proportionately with the emphasis on employment; as opposed to evaluation and training. Gottsche should carefully incorporate these findings into their long range planning strategy.
- Sources of Funds. The study team investigated a number of potential sources of funds which should be available to Gottsche to support clients and the expansion of programs. All told, over 60 of these were identified and are listed in the Final Report. These range from well known programs such as those related to social security, to relatively specific programs related to demonstration and construction programs. In any case, it is clear that a high probability exists that if Gottsche moves toward a carefully structured program in the expansion of evaluation and training, supporting funds will be available from a number of governmental agencies. Needless to say, perhaps the most critical factor in a long term viability of Gottsche is a continuation of this already excellent relationship with the State of Wyoming's DVR.

Final Conclusions

Overall, Gottsche represents a fine rehabilitation center, with a unique range of resources in physical rehabilitation, brace and limb, speech and hearing, psychological services, ties to the Hot Springs County Memorial Hospital, and certain unique locational attributes such as the mineral hot springs themselves. However, Gottsche's tributary area, the State of Wyoming, and indeed the entire Old West Regional Commission area are undergoing relatively rapid change. Perhaps the most significant factors to be observed, in regard to Gottsche's long range growth, are the rapid expansion of occupational and physical therapy programs in both the Region and the State in particular, the growth of both workshop and activity centers throughout the Old West area, and a general improvement in the quality of all types of rehabilitative and employment services throughout the Region. As a result, competition for Gottsche's services is increasing rapidly. A detailed analysis of Gottsche's tributary area (to a radius of 200 to 300 miles) suggest that it still represents a very unique and highly regarded facility for vocational and rehabilitative programs. Given the fact that there is still substantial unmet need in this region, it is recommended that Gottsche's first step should be to increase its client population primarily through the expansion of rehabilitative and vocational types of programs. Only when these have been successfully implemented should more detailed plans for sheltered workshop facilities be undertaken. However, as the detailed analysis of existing programs in this area suggests, this will be a very difficult task; and probably should be based upon the development of a "unique" employment situation in the Thermopolis area, one that stresses the attraction of both clients and customers.



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